

TO: JOINT WASTE DISPOSAL BOARD
21st APRIL 2017

PROGRESS REPORT
Report of the re3 Strategic Waste Manager

1 INTRODUCTION

- 1.1 The purpose of this report is to brief the re3 Joint Waste Disposal Board on progress in the delivery of the re3 Joint Waste PFI Contract and the re3 Strategy.

2 RECOMMENDATION

- 2.2 **That Members note the contents of this report.**
- 2.3 **That Members request the proposed future reports be added to the agenda for the next Joint Waste Disposal Board meeting.**

3 ALTERNATIVE OPTIONS CONSIDERED

- 3.1 None for this report.

4 REASONS FOR RECOMMENDATION

- 4.1 The purpose of this report is to brief Members on progress and delivery within the re3 Joint Waste PFI Contract and the re3 Strategy.
- 4.2 Future reports are proposed to give Members an indication of work in progress and also to allow for alternatives or supplementary reports to be proposed and agreed by the Board.

5 BACKGROUND INFORMATION

Minerals and Waste Planning Process

- 5.1 Bracknell Forest Council, Reading Borough Council and Wokingham Borough Council have agreed to work with Royal Borough of Windsor and Maidenhead in developing a Joint Minerals and Waste Plan (JMWP). They have commissioned Hampshire Services to manage the process.
- 5.2 A Board of Members from the four councils has been established. Its Chairman is Councillor Angus Ross, also an important member of the re3 Joint Waste Disposal Board.
- 5.3 The process of developing a JMWP, and its ongoing influence, will prove to be invaluable for the re3 partnership as it seeks a collective and strategic response to future pressures and seeks to identify opportunities.
- 5.4 The JWMP process involves reconciling future need with available and anticipated capacity development opportunities. This is considered for three broad waste types: (i) Non-Hazardous waste; (ii) Inert waste, and (iii) Hazardous waste.
- 5.5 There is an expectation that Waste Planning Authorities will develop plans which have identified waste management capacity within their area which is sufficient to manage the waste generated therein. Such an expectation of self-sufficiency is

moderated through the JMWP process as colleagues from Hampshire Services explain:

'Net self-sufficiency does not imply that all the waste produced in the area will be kept and managed within the same area, as waste travels and is largely handled by private companies following market needs. However, equivalence is sought between the waste produced in an area and the waste dealt with in the same area. If this cannot be achieved, then it needs to be shown that the areas taking any excess waste are willing and able to continue to do so within the Plan period.'

- 5.6 This is an important point for the re3 Partnership, as our contractual arrangements with FCC afford us capacity at waste facilities outside of the re3 area (principally Oxfordshire and Slough). The willingness of non-re3 areas to process re3 waste cannot be guaranteed beyond the existing arrangements. Accordingly, the JMWP process, which considers the period up to 2036, will greatly assist the re3 Partnership in planning for the delivery of waste management capacity beyond the end of the current contract in 2031.
- 5.7 Hampshire Services has begun working in earnest on the plan. A call for sites was issued on March 13th and will end on May 5th. It will be important for each of the re3 councils to consider any opportunities to identify future waste processing capacity.
- 5.8 Members will receive a presentation from Hampshire Services at the meeting.

Mixed Bag Recycling

- 5.9 While the re3 Recycling Centres offer and encourage waste to be separated by type (for recycling and appropriate management), many residents also deliver bags of mixed waste. It is assumed to be waste that cannot be contained within residents wheeled bins or that they wish to dispose of as is convenient.
- 5.10 Rather than accepting this waste as being destined for disposal, staff at the re3 Recycling Centres now intercept it, before it is deposited over the wall for disposal. The collected bags are then taken aside and opened. Any items which can be recycled or re-used are removed and treated accordingly.
- 5.11 During March the following performance was achieved at the respective re3 Recycling Centres:

	<u>Longshot Lane</u>	<u>Smallmead</u>
Total bags Intercepted	50.42 tonnes	48.24 tonnes
Recycling	30.50%	38.20%
Recovered	3.60%	4.70%
Other	4.00%	9.40%
Total Diversion	38.10%	52.40%

- 5.12 The performance differences between sites are being considered by officers and the Contractor. Officers will report any steps taken to improve recycling.
- 5.13 The composition of waste diverted from disposal, via this initiative, is mixed and so it

is difficult to place a precise value on it. The avoided cost of disposal is worth c£80p/t.

Processing Trials (Pots, Tubs and Trays)

- 5.14 The re3 Project Team submitted a formal Change Notice in January 2017, requiring the Contractor to consider and propose a means of processing plastic pots, tubs and trays. The Contractor's interim response was positive but reflected the need to fully understand the operational and financial impact of processing what are often termed 'mixed' plastics.
- 5.15 Like most facilities, the re3 MRF was designed to process a specific range of materials. Optical sorters sort materials based on the refraction of light. Reprogramming one of the optical sorters allowed the MRF to process pots, tubs and trays and enabled a number of trials to take place.
- 5.16 The first of the trials assessed the ability of the MRF machinery to sort the different types of plastic already present as contamination within the MDR (Mixed Dry Recyclables). Once it was concluded that the facility was able to successfully process pots, tubs and trays at these very low quantities, subsequent trials were undertaken using low grade plastics from another MRF. This material was mixed with re3 MDR at a range of dilutions in order to assess the impact of processing larger quantities. At the same time, Officers have been utilising data from compositional analyses of re3 residual waste in order to estimate the volume of additional plastics that could be received.
- 5.17 The Contractor is using the bales of plastics produced from the trials in order to seek an indication of price from a number of potential offtakers. Initial feedback has been positive.
- 5.18 The trials have also shown an impact in relation to the quality of the Mixed Paper stream, the processing speed of the MRF, the volumes of reject materials and the number of pickers required. The Contractor is utilising data from the trials to produce a financial model and is currently awaiting investment quotes from a number of engineers. In particular, wider conveyor belts may be needed to enable manual picking of contamination from the additional volume of material. Further options also need to be considered to ensure the greatest separation of paper and plastic.
- 5.19 A final trial utilising unsorted MDR (including PTT) from another local authority is due to commence early in April. This will allow the Contractor to assess the MRF as it processes material that could have a similar composition to our own.
- 5.20 Officers will work with the Contractor to understand the results of the trials and to undertake a full cost benefit analysis of introducing pots, tubs and trays to the MRF operation. The results will be reported as proposed at 5.19 below.

Reports Proposed for Next Meeting

- 5.21 At the next meeting re3 officers propose to present a report on the conclusion of the trials on processing pots, tubs and trays through the re3 material reclamation facility (MRF), as described above. In the event that the trials in their entirety reach a conclusion that the processing of new materials will not be financially detrimental to the re3 partnership (and thus taxpayers). re3 Officers will also put forward detailed proposals for communicating to residents how the change will be introduced. This will be an important factor in ensuring that the change is positive both in its direct and indirect impacts on the re3 MRF.

- 5.22 At the next meeting re3 officers propose to present a briefing on the progress of the Joint Minerals and Waste Plan (JMWP). While the Plan is being developed under the supervision of a separate Board, the re3 Joint Waste Disposal Board has a clear interest and inclusion on its agenda affords Members (not least those who represent their councils/re3 in both cases) an opportunity to remain informed and to contribute.
- 5.23 At the next meeting re3 officers propose to engage the Board in further strategic development. Alongside the JMWP, this process is important in ensuring that the re3 Partnership is, as a minimum, able to deliver no less than the re3 councils need from it.
- 5.24 At the next meeting re3 officers propose to report the Contractor Appraisal for 2016/17.

6 ADVICE RECEIVED FROM ADMINISTERING AUTHORITY

Head of Legal Services

- 6.1 None for this report.

Corporate Finance Business Partner

- 6.2 None for this report.

Equalities Impact Assessment

- 6.3 None.

Strategic Risk Management Issues

- 6.4 As described at 5.5 the Minerals and Waste Planning process addresses a key strategic risk for the re3 Partnership. Despite it relating to a risk which will not materialise until the conclusion of the current contract, it is essential that consideration is given now.

7 CONSULTATION

Principal Groups Consulted

- 7.1 Not applicable.

Method of Consultation

Not applicable.

Representations Received

- 7.3 Not applicable.

Background Papers

None

Contacts for further information

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